



Office of the President

May 20, 2008

Ms. Mary Rupp
Secretary of the Board
National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314-3428

Re: Interagency Questions and Answers on Flood
Insurance

Dear Ms. Rupp:

Navy Federal Credit Union provides the following remarks to the National Credit Union Administration (NCUA) in response to the proposed Interagency Questions and Answers on flood insurance for loans in areas having special flood hazards. The proposed guidance addresses the flood insurance Questions and Answers most frequently asked by financial institutions and introduces new questions regarding mandatory civil money penalties to further prevent violations of flood insurance requirements.

Navy Federal welcomes revising and expanding the 1997 Interagency Questions and Answers. We particularly appreciate that the proposed revisions clarify flood insurance requirements for construction loans and condominiums. In addition, the rule presents new Questions and Answers in areas such as second lien mortgages, loan syndications/participations, and the imposition of civil money penalties. We believe these changes will provide a clearer understanding and a stronger enforcement of the flood insurance requirements for credit unions.

Navy Federal Credit Union appreciates the opportunity to provide remarks in response to NCUA's request for comments on this advanced notice of proposed rulemaking. If you have any questions, please contact Elizabeth Schneck, Policy Analyst, at (703) 206-3823.

Sincerely,

A handwritten signature in black ink that reads "Cutler Dawson". The signature is written in a cursive, flowing style.

Cutler Dawson
President

CD/ecs